

2011 DRAFTING REQUEST**Bill**Received: **12/06/2010**Received By: **mshovers**Wanted: **As time permits**

Companion to LRB:

For: **Administration-Budget**By/Representing: **Quinn**

May Contact:

Drafter: **mshovers**Subject: **Local Gov't - munis generally**
Local Gov't - counties

Addl. Drafters:

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

DOA:.....Quinn, BB0139 -

Topic:

Revise local levy limits valuation factor and apply to 2011 and 2012 levies

Instructions:

See attached. Change valuation factor in s. 66.0602 (1) (d) to the greater of zero percent and change in eq. value due to new construction less improvements removed. Apply to 2011 and 2012 levies

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?				_____			S&L
/1	mshovers 12/07/2010	jdyer 12/07/2010	jfrantze 12/07/2010	_____	mbarman 12/07/2010		S&L
/2	mshovers 01/20/2011	jdyer 01/24/2011	rschluet 01/24/2011	_____	sbasford 01/24/2011		S&L
/3	mshovers 01/28/2011	jdyer 01/31/2011	jfrantze 01/31/2011	_____	sbasford 01/31/2011		

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

FE Sent For:

<END>

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/?		3 1/3 jld					S&L
/1	mshovers 12/07/2010	jdye 12/07/2010	jfrantze 12/07/2010	✓	mbarman 12/07/2010		S&L
/2	mshovers 01/20/2011	jdye 01/24/2011	rschluet 01/24/2011	51	sbasford 01/24/2011		
13	MEs 1/28/11						

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1/31

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1?		1/2 1/24 jw					S&L
1	mshovers 12/07/2010	jdye 12/07/2010	jfrantze 12/07/2010		mbarman 12/07/2010		

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1/?	mshovers	1 12/7 jld					
11 MES	2/7/10						

FE Sent For:

<END>

Shovers, Marc

From: Hanaman, Cathlene
Sent: Monday, December 06, 2010 2:27 PM
To: Shovers, Marc
Subject: FW: Statutory Language Drafting Request

From: DOADLBASADMININTERNETSHAREPOINT@WI.GOV
[mailto:DOADLBASADMININTERNETSHAREPOINT@WI.GOV]
Sent: Monday, December 06, 2010 1:51 PM
To: Hanaman, Cathlene
Cc: Shayna.Hetzel@wisconsin.gov; Thornton, Scott - DOA; Grinde, Kirsten - DOA
Subject: Statutory Language Drafting Request

Topic: County and Municipal Levy Limits

Tracking Code: BB0139

SBO Team: TTO

SBO Analyst: Quinn, Brian D - DOA
Phone: (608) 266-1923
E-mail: brian.quinn@wisconsin.gov

Agency Acronym: SRTR

Agency Number: 835

Priority: Medium

Intent:

To change the valuation factor under 66.0602(1)(d) to the greater of zero percent or the change in equalized value in the political subdivision due to new construction less improvements removed between the previous year and the current year.

Attachments: False

Brian says to change
the sunset to
the Dec. 2012 levy
in 66.0602(7)



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-06447

MES

Handwritten: jld, RMR

DOA:.....Quinn, BB0139 - [✓]Revise local levy limits valuation factor and apply to 2011 and 2012 levies

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

Handwritten: today

Handwritten: X Do not gen

- 1 AN ACT ...; **relating to:** revising the levy limits that apply to political
2 subdivisions. [✓]

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT [✓]

Under current law, local levy limits are applied to the property tax levies that are imposed in December 2010. [✓] Current law prohibits any city, village, town, or county (political subdivision) [✓]from increasing its levy by a percentage that exceeds its "valuation factor," which is defined as the greater of either 3 [✓]percent or the percentage change in the [✓]political subdivision's equalized value due to new construction, less [✓]improvements removed. [✓] In addition, the calculation of a political subdivision's levy [✓]does not include any tax increment that is generated by a tax incremental district, [✓]and the base amount of a political subdivision's levy, on which the levy limit is imposed, is the maximum allowable levy for the immediately preceding year. [✓]

- [✓] This bill extends the levy limits to the property tax levies that are imposed in December 2011 and 2012, and changes the limit to the greater of either zero [✓]percent or the percentage change in the political subdivision's equalized value due to new construction less improvements removed. [✓]

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 66.0602 (1) (d) of the statutes is amended to read:

66.0602 (1) (d) "Valuation factor" means a percentage equal to the greater of either 3 zero percent or the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current year.

History: 2005 a. 25, 484; 2007 a. 20, 115, 129; 2009 a. 28.

6 **SECTION 2.** 66.0602 (7) of the statutes is amended to read:

7 66.0602 (7) SUNSET. This section does not apply to a political subdivision's levy
8 that is imposed after December ~~2010~~ 2012. ✓

History: 2005 a. 25, 484; 2007 a. 20, 115, 129; 2009 a. 28.

9 (END)

Shovers, Marc

From: Hanaman, Cathlene
Sent: Friday, January 14, 2011 8:28 AM
To: Shovers, Marc; Mueller, Eric
Subject: FW: Statutory Language Drafting Request

*This request
should not be
new-*

redraft

LRB-0646

From: DOADLBBASADMININTERNETSHAREPOINT@WI.GOV
[mailto:DOADLBBASADMININTERNETSHAREPOINT@WI.GOV]
Sent: Thursday, January 13, 2011 5:21 PM
To: Hanaman, Cathlene
Cc: Hetzel, Shayna - DOA; Thornton, Scott - DOA; Grinde, Kirsten - DOA; Quinn, Brian D - DOA
Subject: Statutory Language Drafting Request

Topic: County and Municipal Levy Limits

Tracking Code: BB0230

SBO Team: TTO

SBO Analyst: Quinn, Brian D - DOA
Phone: (608) 266-1923
E-mail: brian.quinn@wisconsin.gov

Agency Acronym: SRTR

Agency Number: 835

Priority: Medium

Intent:

To change the valuation factor under 66.0602(1)(d) to the greater of zero percent or the change in equalized value in the political subdivision due to new construction less improvements removed between the previous year and the current year.

Require counties and municipalities to make a negative adjustment to their levy limits if the payments on principal and interest related to debt issued prior to July 1, 2005 would be less in the current year than they were in the prior year.

Limit the allowable levy capacity carried over from the levies set in 2010 to no more than 2% of the 2010 levy.

All other levy limit provisions will remain

Levy limits will expire on December 31, 2012.

Attachments: False

1/14/2011



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-0644/12
MES:jld:jf

fmr

DOA:.....Quinn, BB0139 - Revise local levy limits valuation factor and apply to 2011 and 2012 levies

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

✓ Don't gen

- 1 AN ACT ...; **relating to:** revising the levy limits that apply to political
2 subdivisions.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

Under current law, local levy limits are applied to the property tax levies that are imposed in December 2010. Current law prohibits any city, village, town, or county (political subdivision) from increasing its levy by a percentage that exceeds its "valuation factor," which is defined as the greater of either 3 percent or the percentage change in the political subdivision's equalized value due to new construction, less improvements removed. In addition, the calculation of a political subdivision's levy does not include any tax increment that is generated by a tax incremental district, and the base amount of a political subdivision's levy, on which the levy limit is imposed, is the maximum allowable levy for the immediately preceding year.

This bill extends the levy limits to the property tax levies that are imposed in December 2011 and 2012, and changes the limit to the greater of either zero percent or the percentage change in the political subdivision's equalized value due to new construction less improvements removed.

✓

INS
ANL

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 66.0602 (1) (d) of the statutes is amended to read:

66.0602 (1) (d) "Valuation factor" means a percentage equal to the greater of either 3 zero percent or the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current year.

6 **SECTION 2.** 66.0602 (7) of the statutes is amended to read:

7 66.0602 (7) SUNSET. This section does not apply to a political subdivision's levy
8 that is imposed after December ~~2010~~ 2012.

9 (END)

2011-2012 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0644/lins
MES:jld:jf

1 INS ANL

Also under current law, the base amount of a political subdivision's levy in any year is the maximum allowable levy for the immediately preceding year. Under this bill, the maximum base amount of a political subdivision's levy is limited to no more than its 2010 levy, plus two percent of that levy. 2

* This bill also requires a political subdivision to reduce its levy limit if the amount of its levy in the current year, for its payment of debt service for debt issued before July 1, 2005, is less than its levy for that purpose in the previous year. The amount of the levy reduction is the amount by which its levy for such debt service was reduced.

2 INS 2-5

3 **SECTION 1.** 66.0602 (2) of the statutes is amended to read:

4 66.0602 (2) **LEVY LIMIT.** Except as provided in subs. (3), (4), and (5), no political
5 subdivision may increase its levy in any year by a percentage that exceeds the
6 political subdivision's valuation factor. The base amount in any year, to which the
7 limit under this section applies, shall be the maximum allowable levy for the
8 immediately preceding year, up to a base amount that is no more than two percent
9 greater the amount of the 2010 levy. In determining its levy in any year, a city,
10 village, or town shall subtract any tax increment that is calculated under s. 59.57 (3)
11 (a), 60.85 (1) (L), or 66.1105 (2) (i). The base amount in any year, to which the limit
12 under this section applies, may not include any amount to which sub. (3) (e) 8.
13 applies.

History: 2005 a. 25, 484; 2007 a. 20, 115, 129; 2009 a. 28.

14 **SECTION 2.** 66.0602 (2m) of the statutes is created to read:

15 66.0602 (2m) **NEGATIVE ADJUSTMENT.** If a political subdivision's levy for the
16 payment of any general obligation debt service, including debt service on debt issued
17 or reissued to fund or refund outstanding obligations of the political subdivision and
18 interest on outstanding obligations of the political subdivision, on debt originally

- 1 issued before July 1, 2005, is less in the current year than it was in the previous year,✓
- 2 the political subdivision shall reduce its levy limit in the current year by an amount
- 3 equal to the amount that its levy was reduced as described in this subsection.✓

(end ins)

Shovers, Marc

From: Quinn, Brian D - DOA [Brian.Quinn@wisconsin.gov]
Sent: Thursday, January 27, 2011 2:31 PM
To: Shovers, Marc
Subject: RE: Levy limits request, BB0230

Marc,

Can you redraft this to have there be no levy limit carryover? Essentially, whatever their 2010/11 property tax year actual levy is will be the base levy for the levies set in the fall of November 2011.

Thanks.

-Brian

From: Shovers, Marc [mailto:Marc.Shovers@legis.wisconsin.gov]
Sent: Wednesday, January 19, 2011 11:44 AM
To: Quinn, Brian D - DOA
Subject: RE: Levy limits request, BB0230

No problem. Thanks for letting me know.

Marc

From: Quinn, Brian D - DOA [mailto:Brian.Quinn@wisconsin.gov]
Sent: Wednesday, January 19, 2011 11:40 AM
To: Shovers, Marc
Subject: RE: Levy limits request, BB0230

It should just be a redraft as opposed to a separate draft. My apologies. That was a mistake on my part.

Thanks.

-Brian

From: Shovers, Marc [mailto:Marc.Shovers@legis.wisconsin.gov]
Sent: Wednesday, January 19, 2011 11:22 AM
To: Quinn, Brian D - DOA
Subject: Levy limits request, BB0230

Hi Brian:

We received this drafting request, BB0230, to make changes to the levy limits. The instructions are similar to LRB -0644, but add two additional elements, namely requiring political subdivisions to make a negative adjustment to their levies in certain circumstances, and to limit the levy capacity carry over.

Do you really want a new draft, or would you just like LRB -0644 redrafted? Thanks.

Marc

1/27/2011

Marc E. Shovers

Managing Attorney

Legislative Reference Bureau

Phone: (608-266-0129)

E-Mail: marc.shovers@legis.wisconsin.gov

<< File: 11-0644_1.pdf >>



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-0644/23
MES:ld:rs

RMR

DOA:.....Quinn, BB0139 - Revise local levy limits valuation factor and apply to 2011 and 2012 levies

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

✓

don't gen

- 1 AN ACT ...; **relating to:** revising the levy limits that apply to political
2 subdivisions.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

Under current law, local levy limits are applied to the property tax levies that are imposed in December 2010. Current law prohibits any city, village, town, or county (political subdivision) from increasing its levy by a percentage that exceeds its "valuation factor," which is defined as the greater of either 3 percent or the percentage change in the political subdivision's equalized value due to new construction, less improvements removed. In addition, the calculation of a political subdivision's levy does not include any tax increment that is generated by a tax incremental district, and the base amount of a political subdivision's levy, on which the levy limit is imposed, is the maximum allowable levy for the immediately preceding year.

This bill extends the levy limits to the property tax levies that are imposed in December 2011 and 2012, and changes the limit to the greater of either zero percent or the percentage change in the political subdivision's equalized value due to new construction less improvements removed.

Also under current law, the base amount of a political subdivision's levy in any year is the maximum allowable levy for the immediately preceding year. Under this

bill, the maximum base amount of a political subdivision's levy is limited to ~~no more~~ ⁹ ~~than its 2010 levy, plus 2 percent of that levy.~~ ^{its actual levy for the immediate}

This bill also requires a political subdivision to reduce its levy limit if the ^{preceding} amount of its levy in the current year, for its payment of debt service for debt issued before July 1, 2005, is less than its levy for that purpose in the previous year. The amount of the levy reduction is the amount by which its levy for such debt service was reduced.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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2 66.0602 (1) (d) "Valuation factor" means a percentage equal to the greater of
3 either ~~3~~ zero percent or the percentage change in the political subdivision's January
4 1 equalized value due to new construction less improvements removed between the
5 previous year and the current year.

6 **SECTION 2.** 66.0602 (2) of the statutes is amended to read:

7 66.0602 (2) **LEVY LIMIT.** Except as provided in subs. (3), (4), and (5), no political
8 subdivision may increase its levy in any year by a percentage that exceeds the
9 political subdivision's valuation factor. The base amount in any year, to which the

10 limit under this section applies, shall be the ~~maximum allowable~~ ^{actual} levy for the
11 immediately preceding year, up to a base amount that is no more than 2 percent

12 greater the amount of the 2010 levy. In determining its levy in any year, a city,
13 village, or town shall subtract any tax increment that is calculated under s. 59.57 (3)
14 (a), 60.85 (1) (L), or 66.1105 (2) (i). The base amount in any year, to which the limit
15 under this section applies, may not include any amount to which sub. (3) (e) 8.
16 applies.

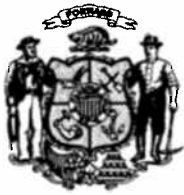
17 **SECTION 3.** 66.0602 (2m) of the statutes is created to read:

66.0602 (2m) NEGATIVE ADJUSTMENT. If a political subdivision's levy for the payment of any general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than it was in the previous year, the political subdivision shall reduce its levy limit in the current year by an amount equal to the amount that its levy was reduced as described in this subsection.

SECTION 4. 66.0602 (7) of the statutes is amended to read:

66.0602 (7) SUNSET. This section does not apply to a political subdivision's levy that is imposed after December ~~2010~~ 2012.

(END)



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-0644/3
MES:jld:jf

DOA:.....Quinn, BB0139 - Revise local levy limits valuation factor and apply to 2011 and 2012 levies

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

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bill, the maximum base amount of a political subdivision's levy is limited to its actual levy for the immediately preceding year.

This bill also requires a political subdivision to reduce its levy limit if the amount of its levy in the current year, for its payment of debt service for debt issued before July 1, 2005, is less than its levy for that purpose in the previous year. The amount of the levy reduction is the amount by which its levy for such debt service was reduced.

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13 (1) (L), or 66.1105 (2) (i). The base amount in any year, to which the limit under this
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16 66.0602 (2**m**) **NEGATIVE ADJUSTMENT.** If a political subdivision's levy for the
17 payment of any general obligation debt service, including debt service on debt issued

1 or reissued to fund or refund outstanding obligations of the political subdivision and
2 interest on outstanding obligations of the political subdivision, on debt originally
3 issued before July 1, 2005, is less in the current year than it was in the previous year,
4 the political subdivision shall reduce its levy limit in the current year by an amount
5 equal to the amount that its levy was reduced as described in this subsection.

6 **SECTION 4.** 66.0602 (7) of the statutes is amended to read:

7 66.0602 (**7**) SUNSET. This section does not apply to a political subdivision's levy
8 that is imposed after December ~~2010~~ 2012.

9 (END)